AGENDA (Revision No. 2) *

Stadium Authority Meeting 99-500 Salt Lake Boulevard Honolulu, Hawaii 96818 February 22, 2007

- I. Call to Order
- II. Approval of Minutes of January 25, 2007
- III. Monthly Report
 - A. Chairman's Report
 - B. Stadium Manager's Monthly Report
 - C. UHAD Monthly Report
 - D. Centerplate/Swap Meet Monthly Report
 - E. Hawaii Malls Inc. Monthly Report

IV. Approval of Events

- King's Cathedral (Saturday) April 21, 2007 (Show and Easter Egg Hunt)
- 2. Department of Education (Saturday) April 21, 2007 (Operation Driver Excellence)
- 3. Hoop Jam, LL. (Saturday and Sunday) July 14-15, 2007
- 4. Sports Car Club of America- (Sunday) July 22, August 19, October 21, November 18, December 16, 2007
- 5. Hawaii Collegiate Baseball- June 15-thru July 31, 2007
- 6. Mabuhay Publications, LLC (Saturday) July 7, 2007
- V. Unfinished Business- Discussion and Appropriate Action
 - A. Xtreme Drift World Tour LLC- report on events
 - B. Legislative Bills- Report from State Comptroller on House Bill No. 282

- C. Parking Task Force- Report from sub-committee on future parking and traffic plans to the Aloha Stadium Parking Lot.
- D. Search for Stadium Manager: Report and discussion with sub-committee on their progress on the search for a stadium manager.
- VI. New Business- Discussion and Appropriate Action

None

- VII. Next Meeting March 29, 2007
- VIII. Adjournment



An Agency of the State of Hawaii

Stadium Authority Meeting 99-500 Salt Lake Boulevard Honolulu, Hawaii 96818 February 22, 2007

Members Present
Kevin Chong Kee, Chairman
Kay Ahina
Marvin Fong
Kathryn Inouye
Alexander Kane, Jr.
Kenneth Marcus
Nelson Oyadomari
Alan Tamayose

Member Absent Marcia Klompus

Staff

Kenneth Lum Scott Chan

Kenneth Tong Deborah Ishihara

Others

John Dellera, Deputy Attorney General
Russ Saito, DAGS Comptroller
Kerry Yoneshige, DAGS Administrative Services Officer
Roger Reeves, Centerplate
Farah Cabrera, Centerplate
Herman Frazier, UH Athletic Director
Carl Clapp, UH
Steven Antonio, Office of Rep. Lynn Finnegan
Kaina Huddy, Xtreme Drift World Tour
Curtis & Jennifer Lee, Sports Car Club of America
James Cablay, Swap Meet Association
Barb Bedient, Neighborhood Resident
Michael Todd, Neighborhood Resident
Chris Messer, Oahu Motor Sports Association

I. <u>CALL TO ORDER</u>

A quorum being present, Chairman Kevin Chong Kee called the meeting to order at 10:05 a.m.

II. APPROVAL OF MINUTES

Board member Marvin Fong corrected Page 5, IV.A, Second Paragraph, Second Sentence, to read: "The Board voted to approve the motion (delete unanimously)" because Member Fong abstained.

Board member Kay Ahina corrected Page 7, Engineer's Report, Last Paragraph, by adding: "Member Ahina asked if an abstract could be provided by everyone."

ON A MOTION BY BOARD MEMBER ALEXANDER KANE, JR. AND SECONDED BY BOARD MEMBER KAY AHINA, THE BOARD UNANIMOUSLY APPROVED THE MINUTES OF THE JANUARY 25, 2007, MEETING AS CORRECTED.

III. MONTHLY REPORT

A. Chairman's Report

Chairman Chong Kee stated the cut-off to receive applications for the stadium manager's position was January 17, 2007; but due to an article in the Honolulu Advertiser stating we were going to repost the position without a salary and extend it for another month, until February 15, 2007, we accepted one application that was received after January 17, 2007. Member Kay Ahina will give us a report under Unfinished Business.

On February 7, 2007, Comptroller Russ Saito and the chairman testified on several House Bills, and Mr. Saito will provide us with a progress report under Unfinished Business.

We had a meeting with Herman Frazier and Vince Baldemor, of the University of Hawaii regarding stadium parking and traffic, and a committee report will be provided by Member Oyadomari.

The Stadium Authority meeting on May 31, 2007, has been rescheduled to May 24, 2007, due to a conflict in the meeting room.

B. Stadium Manager's Monthly Report

Acting Stadium Manager Kenny Lum stated reports have been provided by his staff and they are present to answer any questions that the Board may have.

He also reported that the Great Aloha Run event was very successful. There was, however, a little confusion with participants exiting the stadium, which will be discussed with the licensee at a critique meeting. The two ramps that were constructed by Stadium staff were not utilized to full capacity, but Acting Deputy Manager Scott Chan reported the Stadium chose not to change the plans mid-stream because it would have affected the distribution of food, t-shirts, etc. outside the stadium.

C. UHAD Monthly Report

UH Athletic Director Herman Frazier stated he is aware that everyone is interested in knowing the schedule for the 2007 UH Football Season, but he will not be able to provide that information until he obtains signed contracts from the teams. He did confirm three non-conference home games, scheduled for September 22, 2007, November 24, 2007, and December 1, 2007. The conference game schedule is still being discussed with conference representatives and ESPN. They are still negotiating an option to hold another non-conference game, which will be finalized in a couple of days. He announced one guaranteed contest, which will be away at UNLV on September 15, 2007.

Member Ahina inquired if there was a way to increase public awareness of the non-alcohol zone sections. Mr. Frazier stated they do advertise a lot and it is also on UH's website. In addition, he said they can revise pages of different ads leading up to the games through their sponsorship with the Honolulu Advertiser, and also send flyers to their season ticket holders.

Roger Reeves of Centerplate stated they could do some announcements through their radio time to promote the non-alcohol zone.

D. Centerplate/Swap Meet Monthly Report (report distributed)

Daily Security Log

Member Ahina inquired about Centerplate's Daily Security Log.

Mr. Reeves reported that Centerplate now has their own security section, consisting of personnel previously associated with law enforcement agencies. It is mandatory that their security staff prepare daily activity logs for all of their events and venues.

Member Inouye commended and thanked the staff for the thoroughness and professionalism of their reports -- very easy to read and the facts are easy to find.

Swap Meet

In celebration of the 2007 Chinese New Year, the Asia Arts Organization presented a traditional lion dance, with opening ceremonies and a quick procession through the market. This resulted in an attendance of 9,000. Also, the day after Pro Bowl (February 11, 2007), the Swap Meet had a total of 11,263 shoppers. The New Year offers great opportunities for fun events and promotions at the Swap Meet and an anticipated increase in kama'aina visitors.

Concessions

Attendees of the Pro Bowl were very pleased with the food choices, which turned out to be a very successful event.

D. Hawaii Malls, Inc. Monthly Report

Mr. Chan reported a 10% increase in revenue from the prior year. Hawaii Malls is moving forward with several new inventory areas. We are clarifying responsibilities and also addressing all concerns prior to the start of the season. In addition, efforts are being made to solidify the relationships with UH, Hawaii Malls and Aloha Stadium in this endeavor.

IV. APPROVAL OF EVENTS

A. <u>King's Cathedral (Saturday) April 7, 2007</u> (Show and Easter Egg Hunt)

A MOTION WAS MADE BY MEMBER KANE AND SECONDED BY MEMBER INOUYE TO APPROVE THE EVENT. THE BOARD UNANIMOUSLY APPROVED THE MOTION.

B. <u>Department of Education – (Saturday) April 21, 2007</u> (Operation Driver Excellence)

A MOTION WAS MADE BY MEMBER KANE AND SECONDED BY MEMBER FONG TO APPROVE THE EVENT. THE BOARD UNANIMOUSLY APPROVED THE MOTION.

C. <u>Hoop Jam, LLC – (Saturday/Sunday) July 14-15, 2007</u> (Basketball Tournament)

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER OYADOMARI TO APPROVE THE EVENT. THE BOARD UNANIMOUSLY APPROVED THE MOTION.

D. Sports Car Club of America – (Sunday) July 22, August 19, October 21, November 18, December 16, 2007 (Driving Skills Contest)

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER AHINA TO APPROVE THE EVENTS LISTED. THE BOARD UNANIMOUSLY APPROVED THE MOTION.

E. <u>Hawaii Collegiate Baseball – June 15 - July 31, 2007</u>

Engineer Kenneth Tong stated the stands have not been moved since July, 2006, and he is concerned that some of the components (the hydraulic jacks that lift the bridges up in four corners of the stadium) are marginal in terms of safety.

Member Inouye stated the Board voted to lock the stadium in football configuration due to the safety issue mentioned by Mr. Tong.

Member Marcus reminded the Board, it was also understood that the stands would not be unlocked except for compelling reasons.

Member Kane noted, because of the uncertainty and safety issues of the system, it would be a risk to continue to move the stands and jeopardize not having the venue available for the UH Football Season, the main event at the stadium.

Mr. Chan noted that this event provides an opportunity for local and collegiate kids to play in a summer league and that the client is looking at his options. He recommended that the Board act according to their concerns about the issues presented. He also stated Mr. Tong is concerned that the movement could be unsafe for our employees.

Mr. Frazier stated that UH has tentative plans to install new turf at their field, which could be the reason why the stadium received this request.

A MOTION WAS MADE BY MEMBER INOUYE AND SECONDED BY MEMBER TAMAYOSE TO DENY APPROVAL OF THE EVENT, BASED ON STAFF RECOMMENDATIONS. THE BOARD UNANIMOUSLY APPROVED THE MOTION.

F. <u>Mabuhay Publications, LLC – Saturday) July 7, 2007</u> (Variety Show/Concert)

Mr. Chan explained this is a talent and game show and is very popular in the Philippines. It will also be broadcasted back to the Philippines.

Member Inouye inquired if the event is being treated the same as other revenue-generated events previously held at the stadium. Mr. Chan said this event is new to the stadium and he is working closely with Ms. Ishihara and our legal counsel to ensure that the terms of the contract meet the requirements of similar concert events held at the stadium.

A MOTION WAS MADE BY MEMBER KANE AND SECONDED BY MEMBER MARCUS TO APPROVE THE EVENT LISTED. THE BOARD UNANIMOUSLY APPROVED THE MOTION.

V. UNFINISHED BUSINESS

A. Xtreme Drift World Tour LLC – report on events
Chairman Chong Kee stated he received a lot of complaints due to
the noise generated from the drifting events held at the stadium
from Councilman Romy Cachola, Representative
Lynn Finnegan, Senator Norman Sakamoto, and a lot from the
Governor's office. He feels it is something that the Board has to
address and that the reasons for the complaints may be because the
events were extended to 9:00 p.m. and the residents did not like the
noise.

Member Ahina asked Mr. Chan what were his general feelings about this event. Mr. Chan stated we are willing to support any event that the Board feels is appropriate for the facility. Our engineer provided information to assist the Board in making the best possible decision. As stated earlier, it was a concern with us to have these types of events at the stadium. In light of the issues that are being presented, we need to be concerned and decide if drift racing is appropriate for this community.

Member Ahina asked Mr. Chan what his experience has been, working with the Xtreme staff. Mr. Chan stated the stadium had no problems -- they have been very accommodating and always tried to make the necessary adjustments when requested.

Steven Antonio spoke on behalf of Representative Lynn Finnegan. He stated he received over 60 telephone calls, emails and letters, the majority of which were complaints about the screeching sounds from the drift racing. He personally listened to the noise in the neighborhood and said it intensified as he went further away from the stadium. The consensus was that the noise in the evening as well as during the qualifying events during the day was unbearable.

Mr. Antonio stated that with the Stadium Authority's help, along with the help of other supporting organizations and residents, they are very interested in trying to find a facility for the racing organizations and are looking in the Barber's Point area.

Chairman Chong Kee noted HB 567 has been introduced concerning a study to find a facility. Evelyn Souza (S.O.R.T.) stated they are very appreciative to the Stadium Authority for allowing their event in the stadium. They were able to change the wording in HB 567 to cover the Island of Oahu, since the other islands have raceway parks. But they have exhausted their efforts to find a facility and have no choice but to go back to the preservation of Hawaii Raceway Park (HRP). They are requesting the community's help in writing to the City to stop the rezoning of the HRP from agricultural to industrial.

Barb Bedient stated she lives in Foster Village and supports the drift racing, but does not feel it belongs where people live. She said it is impossible to calm down and relax at night with that kind of noise.

Les Vallarano, of Punish'Um Motorsports and a race director stated they have been trying to preserve the HRP property for a year and believe they have a good race track that has been sitting, closed, for one year. He also said the logic behind the land use ordinance for having a race track in an industrial area is that you don't have neighbors that you are disturbing. He said the HB 567 cost study will take a year to complete and is asking for the County and State to work together to help put a deal together for the HRP.

Member Marcus inquired about the serious concerns dealing with the effect of the racing and the restriping of the parking lot.

Kaina Huddy thanked the Board for allowing the drifting at the stadium. He reported there were no accidents, fights, or injuries during their events. They received full cooperation from the Stadium staff. He also thanked Chairman Chong Kee for helping them with a decision that had to be made for their major events. With regards to the parking lot, they plan to do the cleaning after the Sports Carnival (in March), preferably in the evenings. If the cleaning solution does not remove the marks, they have agreed to restripe the necessary areas.

Mr. Huddy also noted that by bringing the drift racing events to the Stadium, it has brought public awareness of the need to acquire a permanent venue for their sport. He also expressed praise for the SCCA group and is hopeful that the noise complaints do not negatively affect SCCA's future events at the Stadium.

Member Kane expressed his concerns to the Xtreme staff about future events at the stadium. He stated that because the noise is the issue, if they plan to request approval for another event, perhaps they should concentrate on holding an event during the day.

Member Fong also expressed his concerns and does not support having a drifting event in a residential area. He also believes the parking lot was not meant to accommodate racing. He urged the racing community to do whatever is necessary to obtain approval by the City Council.

Chris Messer of Oahu Motors Sports Advisory Counsel (OMAC) said they are devastated with the closing of HRP and support any temporary event that the stadium will grant to these desperate

people. He said they do need a permanent facility and would like to support S.O.R.T.

Michael Todd has been a resident and board member at Cross Point for five years. His main purpose in attending the meeting is to ask the Stadium Authority to not allow drift racing on a permanent basis at Aloha Stadium. He is a fan of the sport but does not want to go home after an 8-hour work day to have to listen to the screeching noise. He did say he wants to support the drifting in every way he can, but not as a permanent event at the stadium. He feels they have become a lightning rod and are influencing a lot of young people.

Several other members from Xtreme and S.O.R.T. asked for community support in finding a permanent location for their events.

Member Inouye commended Mr. Huddy and the Xtreme staff for handling themselves professionally and addressing all of the concerns of their event, especially on the safety issues, and for submitting their action plans. She expressed her concerns about the degradation of the parking lot and the noise generated from their events affecting the peaceful enjoyment of one's home. In her final comments, she stated she will send an email supporting another venue for them, but also mentioned she will not be able to support approval of future drift racing events at Aloha Stadium.

Chairman Chong Kee stated since there are no current applications for drift racing, we will defer this until such time as another one is presented to the Board. He also asked for the Board's approval to send a letter to Councilman Romy Cachola in support of a permanent venue for the racing community.

A MOTION WAS MADE BY MEMBER KATHRYN INOUYE AND SECONDED BY MEMBER MARVIN FONG AS FOLLOWS: IN CONSIDERATION OF THE BROAD INTEREST IN OUR COMMUNITY IN MOTOR SPORTS EVENTS AND THE CONCERNS THAT HAVE BEEN RAISED WITH REGARD TO STAGING SUCH EVENTS AT ALOHA STADIUM, THE STADIUM AUTHORITY URGES APPROPRIATE FEDERAL, STATE, AND COUNTY AGENCIES TO COOPERATE IN ARRANGING FOR A PERMANENT MOTOR SPORTS FACILITY ON THE ISLAND

OF OAHU AT THE EARLIEST PRACTICABLE TIME. THE BOARD UNANIMOUSLY APPROVED THE MOTION.

Herman Frazier offered, as a citizen of the city and a person heavily involved in national and international sports, to send a letter to the appropriate people in support of what everyone is asking for in this meeting.

B. <u>Legislative Bills – Report from State Comptroller on House</u> Bill No. 282.

Comptroller Russ Saito provided the Board with a description of House Bill No. 282, which relates to the disposition of Aloha Stadium and the acquisition of new land to construct a new stadium. He also presented a current Bill Status.

Mr. Saito stated, to put the discussion on whether to replace or repair and refurbish Aloha Stadium into perspective, it would be helpful for the Board to know the following facts:

The first and most important fact is that the stadium is safe. The purpose of the proposed repair and refurbishment is to keep it safe, and at a minimum, it will give the stadium another 20 to 30 years of life.

The second key fact is that the stadium property was deeded to the State on the condition that it is used for recreational purposes and that it could be transferred only to another local government agency, and only if the purpose would continue to be recreational. If not, the property would revert to the Federal government.

A third key fact is that the \$300 million new stadium cost that the State's consultant has estimated is based on building the new stadium on the adjacent lot right next to the existing one. Building a new stadium elsewhere would cost much more because infrastructure would need to be constructed.

A fourth key fact is that a new stadium can't be built overnight, especially when a site for it has not been selected. Selecting a 100-acre site for the new stadium will involve feasibility assessments and the environmental impact statement (EIS) process for the short-listed sites. After extensive public input and dialogue, it would take an extremely optimistic, perhaps unrealistic, minimum of seven years to build a new stadium.

In conclusion, Mr. Saito stated that if a venue for athletic and other events for up to 50,000 attendees is required to host our current sporting events, the Aloha Stadium needs to be repaired and refurbished even if there is a commitment to build a new stadium. He also reviewed in detail the Aloha Stadium Planning Study 2005-Capital Improvements Schedule and the Aloha Stadium Necessary Capital Improvements Budget dated January 29, 2007.

There were four bills that impacted the Stadium Manager's salary. Two of the bills were DAGS bills – HB1230/SB1316 strictly Stadium Manager's Salary. HB1230 was heard and deferred, meaning it's dead. SB1316 was never heard. There is also an omnibus salary bill on the administration side that deals with a lot of department heads and attached agencies. HB1367 was heard and is in Finance, and if the Finance Committee votes it out, it will cross over and it's alive, and DAGS stadium manager's salary is included in that bill.

C. Parking Task Force – Report from sub-committee on future Parking and traffic plans to the Aloha Stadium Parking Lot.

Member Oyadomari stated he, Chairperson Chong Kee and Member Klompus met with the stadium staff on February 5, 2007, to discuss options about alleviating traffic congestions during UH home games, specifically games with attendance over 35,000. The challenge was to find a traffic/parking flow plan that is mindful of the community, as well as accommodating our two clients (UH and Swap Meet). The committee looked at implementing something now, with minimal infrastructure changes, then Phase II, restriping/re-doing the parking lot, etc. The committee then met on February 14, 2007 with Herman Frazier and Vince Baldemor from Na Koa and at that time we presented some of our solutions:

Inside the Stadium & Parking Lot

Increase the law enforcement and also to ask for premium pay increases so we can recruit the officers.

One of the big things inside was possibly moving the UH reserve stalls from the makai side to the mauka side. The reason for that was that we could use the North Kam gate for passes only and alleviate traffic entering the Salt Lake Gate. But we have some issues there – the long-time UH fans and the long-time general public on the mauka side that would be relocated.

Outside

Increase the HPD and signage. Another positive solution would be to create a partnership with UH, Centerplate and Aloha Stadium for the use of 3,000 parking spaces at Ford Island, provide a shuttle, and possibly provide some kind of entertainment or a tailgate area at the stadium for Ford Island parkers only. Roger Reeves of Centerplate will be looking into that possibility. UH is presently reviewing our proposed solutions and will be scheduling another meeting with our committee and staff very soon.

H. Frazier commended Scott and his team for their initial plans, which they recognized as very positive. They met with Koa Anuenue and liked the general direction in which we are headed and believe a resolution will be accomplished very soon.

Mr. Chan stated the Stadium is looking for solutions to give us immediate results/ immediate impact, and I think some of the issues we brought up are working towards that. At the same time, we want to be fair to our clients in terms of how we label that with the cost and we came up with an escalated attendance scale to try and address those concerns with some of the information we know in advance. We were able to pinpoint them for some major games and again it may be at every game but as we get closer to the season we will know those figures.

Mr. Frazier stated the intent is to get the information of what will be implemented for the 2007 Football Season in time for the March 29, 2007 Board meeting.

D. <u>Search for Stadium Manager: Report and discussion with Sub-committee on their progress on the search for a stadium manager.</u>

Member Ahina stated the Stadium Manager sub-committee met and after reviewing the applications, reported that her committee will not conduct any interviews at the present time, and asked that we put this item back on our agenda for next month's meeting. Member Fong asked how many applications were received. Member Ahina said there were fifteen, and five were certified by DAGS Personnel. Chairman Chong Kee stated an additional one was received after the deadline, and was accepted because an article that appeared in the Advertiser stated the deadline would be

extended. Chairman Chong Kee said he will add it to next month's agenda. It will give the Board a chance to decide on how to proceed with the search for a stadium manager.

With reference to the parking and stadium manager's subcommittees, Deputy Attorney General John Dellera advised the board to keep in mind the requirement of the law that when a report is made by a sub-committee, the Board cannot take action on it until the following meeting. So if the sub-committee reports next month, the Board could not take action on it next month.

A lengthy discussion took place by Board members on whether to abandon the national search for the Stadium Manager and/or abandon the sub-committee.

Member Inouye addressed Member Ahina and said based on the applications that you reviewed, it appears that you do not wish to interview any of the applicants because you don't feel that any individual fits the job description. Member Ahina agreed with Member Inouye. Member Inouye questioned, "So can the Chairperson recommend today that they don't want to proceed with any of the applicants?"

Mr. Dellera stated the sub-committee was impaneled for the purpose of making recommendations to select a Stadium Manager and if it has no recommendations, it can be discharged, and the board can then proceed to make a selection. Member Marcus asked if the Board could consult with Mr. Dellera in executive session on this issue. Member Inouye agreed.

Comptroller Saito questioned whether the board would be taking action on a subcommittee report if it disbands the subcommittee and makes a selection at this meeting. Mr. Dellera said it would be better to defer the selection to next month, but that is not necessary because the subcommittee had not submitted findings and recommendations that the board would be acting on.

A MOTION WAS MADE BY MEMBER INOUYE AND SECONDED BY MEMBER MARCUS TO GO INTO EXECUTIVE SESSION AFTER THE MEETING IS ADJOURNED, TO CONSULT THE BOARD'S ATTORNEY ON QUESTIONS AND ISSUES PERTAINING TO THE SEARCH FOR A NEW STADIUM MANAGER. THE MOTION WAS APPROVED UNANIMOUSLY.

VI. NEW BUSNESS

None

VII. NEXT MEETING

March 29, 2007

VIII. ADJOURNMENT

12:40 p.m.

KEYIN CHONG KEE

Chairman

Recorded by:

Diana Ho

Approval Date:

March 29, 2007